

TELECOMMUNICATION SERVICES

22. Telecommunication Services

As on 31.03.2016, there were 6 Central Public Sector Enterprises in the Telecommunication services group. The names of these enterprises along with their year of incorporation in chronological order are given below: -

S. No.	Enterprise	Year of Incorporation
1	MAHANAGAR TELEPHONE NIGAM LTD.	1986
2	BHARAT SANCHAR NIGAM LTD.	2000
3	MILLENNIUM TELECOM LTD.	2000
4	RAILTEL CORPORATION INDIA LTD.	2000
5	BHARAT BROADBAND NETWORK LTD.	2012
6	RAILTEL ENTERPRISES LTD.	2014

2. The enterprises falling in this group are mainly engaged in rendering Telecommunication and Internet services etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover:** The details of turnover of individual enterprises are given below:

(₹ in Crore)

S. No.	Enterprise	Turnover	
		2015-16	2014-15
1	BHARAT BROADBAND NETWORK LTD.	0.41	0.41
2	BHARAT SANCHAR NIGAM LTD.	28449.4	27242.2
3	MAHANAGAR TELEPHONE NIGAM LTD.	3196.62	3397.53
4	MILLENNIUM TELECOM LTD.	1.37	2.82
5	RAILTEL CORPORATION INDIA LTD.	572.21	481.82
6	RAILTEL ENTERPRISES LTD.	5.68	0.95
SUB TOTAL :		32225.7	31125.8

5. **Net Profit / Loss:** The details of enterprises, which earned net profit or sustained net loss (-) are given below:

(₹ in Crore)

S. No.	Enterprise	Net Profit/ Loss	
		2015-16	2014-15
1	BHARAT BROADBAND NETWORK LTD.	-8.43	-0.29
2	BHARAT SANCHAR NIGAM LTD.	-3879.92	-8234.09
3	MAHANAGAR TELEPHONE NIGAM LTD.	-2005.74	-2893.39
4	MILLENNIUM TELECOM LTD.	0.29	0.13
5	RAILTEL CORPORATION INDIA LTD.	103.83	120.94
6	RAILTEL ENTERPRISES LTD.	0.75	0.13
SUB TOTAL :		-5789.22	-11006.6

6. **Dividend:** The details of dividend declared by the individual enterprises are given below:

(₹ in Crore)

S. No.	Enterprise	Dividend	
		2015-16	2014-15
1	RAILTEL CORPORATION INDIA LTD.	41.53	17
SUB TOTAL :		41.53	17

7. **Social Overhead and Township:** The total number of persons employed and the expenditure incurred on social overheads and townships are given below :

(₹ in Crore)

S. No.	Particulars	Township and Social Overheads	
		2015-16	2014-15
1	No. of employees (in number)	242835	259916
2	Social overheads: (₹ in Crore)		
	(i) Educational	0	0
	(ii) Medical Facilities	0	0
	(iii) Others	0	0
3	Capital cost of township (₹ in Crore)	0	0
4	No. of houses constructed (in numbers)	0	0

8. Company wise details in respect of Balance Sheet, Profit and Loss Account, Important Indicators and Financial Ratios along with the write up of individual company are given in the page below:

TELECOMMUNICATION SERVICES

BALANCE SHEET	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	2045000	2045000	2040000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	1323532	1323531	1323532
(ii) Others	28850	28851	27850
(b) Reserves & Surplus	3152959	3747511	5004111
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	4505341	5099893	6355493
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	1459365	1006516	883000
(b) Deferred tax liabilities (Net)	3771	4	33
(c) Other Long-term liabilities	1053187	948365	813787
(d) Long-term provisions	172095	204922	265403
Total Non-Current Liabilities 3(a) to 3(d)	2688418	2159807	1962223
(4) Current Liabilities			
(a) Short Term Borrowings	1076095	1292463	974921
(b) Trade Payables	730448	860792	900817
(c) Other current liabilities	1341550	1086064	991509
(d) Short-term provisions	57688	83888	99118
Total Current Liabilities 4(a) to 4(d)	3205781	3323207	2966365
TOTAL EQUITY & LIABILITIES (1+2+3+4)	10399540	10582907	11284081
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	19941297	19751520	19484056
(ai) Accumulated Depreciation, Depletion & Amortisation	14964405	14257147	13242229
(aii) Accumulated Impairment	2428	4790	3071
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	4974464	5489583	6238756
(c) Capital work in progress	462174	372084	430930
(d) Intangible assets under developmet	0	0	923
(e) Non-Current Investments	35198	37198	38198
(f) Deferred Tax Assets (Net)	113645	85057	23918
(g) Long Term Loans and Advances	1762181	1854068	1475469
(h) Other Non-Current Assets	530790	502840	448611
Total Non-Current Assets (b+c+d+e+f+g+h)	7878452	8340830	8656805
(2) Current Assets			
(a) Current Investments	0	2000	2000
(b) Inventories	546302	455894	362009
(c) Trade Recievables	321999	279203	321002
(d) Cash & Bank Balance	234573	264733	247700
(e) Short-term Loans & Advances	243775	207342	249858
(f) Other Current Assets	1174439	1032905	1444707
Total Current Assets (a+b+c+d+e+f)	2521088	2242077	2627276
TOTAL ASSETS (1+2)	10399540	10582907	11284081
Important Indicators			
(i) Investment	2811747	2358898	2234382
(ii) Capital Employed	5964706	6106409	7238493
(iii) Net Worth	4505341	5099893	6355493
(iv) Net Current Assets	-684693	-1081130	-339089
(v) Cost of Sales	4170047	4260331	4095844
(vi) Net Value Added (at market price)	1030762	734311	2122687
(vii) Total Regular Employees (Nos.)	242835	259916	275412
(viii) Avg. Monthly Emoluments per Employee(₹)	62163	56644	54819

PROFIT & LOSS ACCOUNT	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	3222571	3112576	2999520
Less : Excise Duty	0	7	0
Revenue from Operations (Net)	3222571	3112569	2999520
(II) Other Income	486901	189635	233136
(III) Total Revenue (I+II)	3709472	3302204	3232656
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	196	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	30	-30	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	297836	293464	289875
(f) Salary, Wages & Benefits/Employees Expense	1811441	1766710	1811744
(g) Other Operating/direct/manufacturing Expenses	949237	865224	908614
(h) Rent, Royalty & Cess	46843	41648	41899
(i) Loss on sale of Assets/Investments	164	173	934
(j) Other Expenses	230410	288992	316148
Total Expenditure (IV (a to j))	3335961	3256377	3369214
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	373511	45827	-136558
(VI) Depreciation, Depletion & Amortisation	834250	1004127	727564
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIET)(V-VI-VII)	-460739	-958300	-864122
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	183597	194155	160985
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c -d)	184040	194155	160985
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-Xe)	-644779	-1152455	-1025107
(XI) Exceptional Items	0	0	-1162070
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	-644779	-1152455	136963
(XIII) Extra-Ordinary Items	34529	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	-679308	-1152455	136963
(XV) TAX PROVISIONS	-68787	-56381	42472
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	-610521	-1096074	94491
(XVII) Profit/Loss from discontinuing operations	31599	0	0
(XVIII) Tax expenses of discontinuing operations	0	4583	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	31599	-4583	0
(XX) Profit/Loss for the period (XVI+XIX)	-578922	-1100657	94491
Financial Ratios			
(i) Sales : Capital Employed	54.03	50.97	41.44
(ii) Cost of Sales : Sales	129.4	136.88	136.55
(iii) Salary/Wages : Sales	56.21	56.76	60.4
(iv) Net Profit : Net Worth	-12.85	-21.58	1.49
(v) Debt : Equity	1.08	0.74	0.65
(vi) Current Ratio	0.79	0.67	0.89
(vii) Trade Recievables : Sales	9.99	8.97	10.7
(viii) Total Inventory : Sales	16.95	14.65	12.07

Bharat Broadband Network Limited

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Chattarpur, Mehrauli, New Delhi-110030
www.bbnl.in

The Company

Bharat Broadband Network Limited (BBNL) was set up by the Government of India as a Special Purpose Vehicle and was incorporated on 25.02.2012 under the Companies Act 1956 with an objective to set up, provide (i.e. procure, install, test, commission) operate, maintain and manage OFC network and associated infrastructure which is called National Optical Fibre Network (NOFN) required for effective provision of at least 100 Mbps bandwidth on sharing basis in all the estimated 2,50,000 Gram Panchayats of India.

BBNL is an uncategorized CPSE in Telecom Service Sector under the Administrative control of Department of Telecommunications, Ministry of Communications and IT and its 99.99 percent of issued and paid up equity is held by the Government of India. Also Bharat Sanchar Nigam Limited, Power Grid Corporation of India Limited and Railtel Corporation of India Limited hold one issued and paid up Equity share of Rs. 10 each. The company employed 107 regular executives employees as on 31.3.2016. Its registered and corporate offices are at Delhi.

Vision / Mission

The vision of the company is to become the leading Telecom Company to provide secure, reliable, affordable and high quality connectivity across India.

The mission of the company is to provide 100 Mbps broadband connectivity to all the Gram Panchayats, to provide B2B services in a non-discriminatory manner, to facilitate proliferation of G2C, B2C and P2P Broadband services in rural areas and to be a catalyst for increasing Broadband penetration in rural areas so as to foster socio economic development.

Industrial / Business Operations

BBNL is engaged in establishing the National Optical Fibre Network to connect all the Gram Panchayats of the country with concerned Blocks of the country through Optical Fibre Network so that 100 Mbps bandwidth can be provided to each Gram Panchayat of the country. By utilizing the said bandwidth internet service and various types of e services can be provided to villagers as well as to Government Institutions and other Institutions located in the villages.

The network and associated infrastructure so created are called National Optical Fibre Network (NOFN). The Universal Service Obligation Fund which is administered by the Department of Telecommunication, Ministry of Communications Government of India provides subsidy for entire Capex required for establishing NOFN and net cost of Opex net of revenue for operation and maintenance of NOFN for a period of five years w.e.f. 25.02.2012.

Performance Highlights

Total revenue of the company registered an increase of ₹1.98 crore during 2015-16, which went up to ₹13.30 crore in 2015-16 from ₹11.32 crore in 2014-15 (Fig1) due to increase in other income. The loss of the company has gone up by ₹8.14 crore to ₹(-) 8.43 crore in 2015-16 from ₹(-) 0.29 crore in previous year.

Return on net worth and net profit ratio of the company is negative during 2015-16. The current ratio of company is at 9.22:1 during 2015-16 as against 6.26:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2013-14 to 2015-16 can be seen on the Adjoining page.

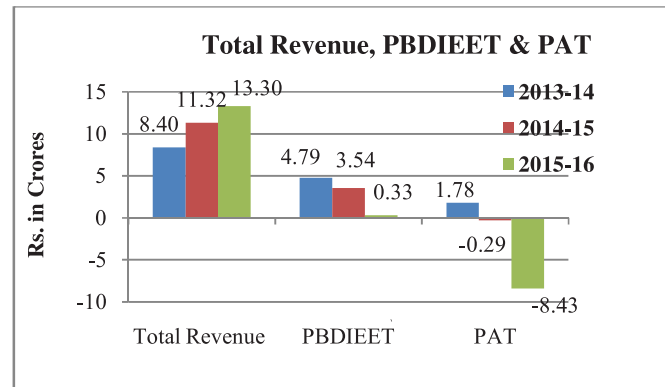


Fig.1

Strategic issue

As per present plan, in BharatNet Phase I Optical Fibre network would be installed in 100000 Gram Panchayats (GPs) for which work front has been opened in 125000 GPs. Timeline for completion of installation of network in BharatNet Phase I is 31st March 2017. In BharatNet Phase II, Optical Fibre Network will be installed in balance 150000 GPs by December 2018. BharatNet is an important infrastructure for construction of National Level Broadband Highway for Digital India Programme.

BHARAT BROADBAND NETWORK LTD.

BALANCE SHEET	(₹ in Lakhs)		
PARTICULARS	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	100000	100000	100000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	6000	6000	6000
(ii) Others	0	0	0
(b) Reserves & Surplus	-525	318	347
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	5475	6318	6347
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	0	0	0
(b) Deferred tax liabilities (Net)	265	4	33
(c) Other Long-term liabilities	467269	234940	91747
(d) Long-term provisions	0	0	0
Total Non-Current Liabilities 3(a) to 3(d)	467534	234944	91780
(4) Current Liabilities			
(a) Short Term Borrowings	0	0	0
(b) Trade Payables	0	0	0
(c) Other current liabilities	15300	23523	908
(d) Short-term provisions	3698	1691	82
Total Current Liabilities 4(a) to 4(d)	18998	25214	990
TOTAL EQUITY & LIABILITIES (1+2+3+4)	492007	266476	99117
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	4524	1850	1112
(ai) Accumulated Depreciation, Depletion & Amortisation	1347	610	200
(aii) Accumulated Impairment	0	0	0
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	3177	1240	912
(c) Capital work in progress	116370	14012	-259
(d) Intangible assets under developmet	0	0	0
(e) Non-Current Investments	0	0	0
(f) Deferred Tax Assets (Net)	0	0	0
(g) Long Term Loans and Advances	197163	93237	40372
(h) Other Non-Current Assets	50	100	150
Total Non-Current Assets (b+c+d+e+f+g+h)	316760	108589	41175
(2) Current Assets			
(a) Current Investments	0	0	0
(b) Inventories	96031	76446	0
(c) Trade Recievables	140	93	41
(d) Cash & Bank Balance	57278	66650	55264
(e) Short-term Loans & Advances	3407	2940	1016
(f) Other Current Assets	18391	11758	1621
Total Current Assets (a+b+c+d+e+f)	175247	157887	57942
TOTAL ASSETS (1+2)	492007	266476	99117
Important Indicators			
(i) Investment	6000	6000	6000
(ii) Capital Employed	5475	6318	6347
(iii) Net Worth	5475	6318	6347
(iv) Net Current Assets	156249	132673	56952
(v) Cost of Sales	1861	1142	556
(vi) Net Value Added (at market price)	-241736	-134773	-50965
(vii) Total Regular Employees (Nos.)	107	109	90
(viii) Avg. Monthly Emoluments per Employee(₹)	18847	18654	10463

PROFIT & LOSS ACCOUNT	(₹ in Lakhs)		
PARTICULARS	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	41	41	41
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	41	41	41
(II) Other Income	1289	1091	799
(III) Total Revenue (I+II)	1330	1132	840
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	4	11	3
(f) Salary, Wages & Benefits/Employees Expense	242	244	113
(g) Other Operating/direct/manufacturing Expenses	797	306	204
(h) Rent, Royalty & Cess	48	163	34
(i) Loss on sale of Assets/Investments	6	1	1
(j) Other Expenses	200	53	6
Total Expenditure (IV (a to j))	1297	778	361
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIET)(III-IV)	33	354	479
(VI) Depreciation, Depletion & Amortisation	570	365	196
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIET)(V-VI-VII)	-537	-11	283
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	29	4	6
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c -d)	29	4	6
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBET)(VIII-IXe)	-566	-15	277
(XI) Exceptional Items	0	0	0
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	-566	-15	277
(XIII) Extra-Ordinary Items	0	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	-566	-15	277
(XV) TAX PROVISIONS	277	14	99
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	-843	-29	178
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	-843	-29	178
Financial Ratios			
(i) Sales : Capital Employed	0.75	0.65	0.65
(ii) Cost of Sales : Sales	4539.02	2785.37	1356.1
(iii) Salary/Wages : Sales	590.24	595.12	275.61
(iv) Net Profit : Net Worth	-15.4	-0.46	2.8
(v) Debt : Equity	0	0	0
(vi) Current Ratio	9.22	6.26	58.53
(vii) Trade Recievables : Sales	341.46	226.83	100
(viii) Total Inventory : Sales	234221.95	186453.66	0

Bharat Sanchar Nigam Ltd.

Bharat Sanchar Bhawan, H.C.Mathur Lane, Janpath, New Delhi-110 001
www.bsnl.co.in

The Company

Bharat Sanchar Nigam Ltd (BSNL) was incorporated on 15.9.2000 under the Companies Act 1956 with an objective to take over the business of providing telecom services and network of erstwhile D/o Telecommunications along with all assets and liabilities, contractual rights and obligations w.e.f. 1.10.2000.

BSNL is a schedule 'A' Miniratna category CPSE in Telecommunication Services Sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications with 100% shareholding by the Government of India. The company employed 2,11,086 regular employees (Executives 44,906 & Non-Executives 1,66,180) as on 31.3.2016. It's registered and corporate Office is at New Delhi.

Vision / Mission

The vision and mission of the company is to be the leading telecom service provider in India with global presence; Create a customer focused organization with excellence in customer care, sales and marketing and Leverage technology to provide affordable and innovative telecom services / products across customer segments; provide a conducive work environment with strong focus on performance and establish efficient business processes enabled by IT.

Industrial / Business Operations

BSNL is engaged in providing all types of telecommunication services in the form of mobile, fixed access, broadband and enterprises business in telecom circles spread all over India other than cities of Delhi and Mumbai.

Performance Highlights

The physical performance of the company during the last three years is given below:

Main Products / Connections	Connection	Performance during		
		2015-16	2014-15	2013-14
Landline	Million	14.76	16.41	18.49
Broadband	Million	9.86	9.91	9.97
GSM network	Million	101.58	75.36	92.40
WLL	Million	1.4	1.99	2.25

Total revenue of the company registered an increase of ₹4273.50 crore during 2015-16, which went up to ₹32918.70 crore in 2015-16 from ₹28645.20 crore in 2014-15 (Fig1). The losses of the company has also gone down by ₹4354.17 crore

to ₹(-) 3879.92 crore in 2015-16, from ₹(-) 8234.09 crore in previous year due to increase in operating revenue and increase in other income.

Return on net worth of the company has been negative and stood at (-)17.21% and (-)8.84% 2014-15 and in 2015-16 respectively. Net profit ratio of the company has increased to (-)13.64% in 2015-16 from (-)30.23% in 2014-15 (Fig2). The current ratio of company is at 1.09:1 during 2015-16 as against 0.78:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2013-14 to 2015-16 can be seen on the adjoining page.

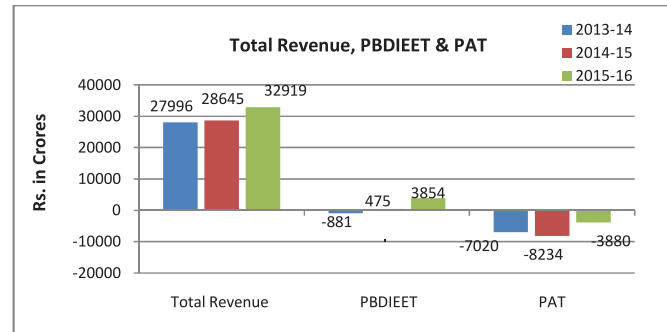


Fig. 1

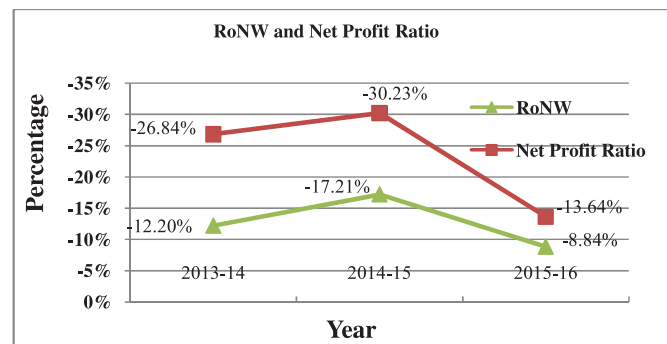


Fig.2

Strategic issues

Despite operating in a highly competitive and consumer driven market with pressure on earnings, BSNL was able to restrain the negative trend to some extent. During the year under review, the company continued to work on the vision of creating a customer focused organization and, have taken strategic initiatives to improve company's operating efficiency, steer growth and productivity. Focus is on service, differentiation and operational agility to cater to subscribers on Pan India basis.

BHARAT SANCHAR NIGAM LTD.

BALANCE SHEET	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	1750000	1750000	1750000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	1250000	1250000	1250000
(ii) Others	0	0	0
(b) Reserves & Surplus	3141307	3534940	4503332
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	4391307	4784940	5753332
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	498974	5619	72000
(b) Deferred tax liabilities (Net)	0	0	0
(c) Other Long-term liabilities	332087	344477	330074
(d) Long-term provisions	0	28438	85532
Total Non-Current Liabilities 3(a) to 3(d)	831061	378534	487606
(4) Current Liabilities			
(a) Short Term Borrowings	283672	632871	373853
(b) Trade Payables	682370	828914	870657
(c) Other current liabilities	858270	734591	682363
(d) Short-term provisions	27995	63980	67459
Total Current Liabilities 4(a) to 4(d)	1852307	2260356	1994332
TOTAL EQUITY & LIABILITIES (1+2+3+4)	7074675	7423830	8235270
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	17067052	16908773	16704199
(ai) Accumulated Depreciation, Depletion & Amortisation	13123179	12523274	11642094
(aii) Accumulated Impairment	0	0	0
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	3943873	4385499	5062105
(c) Capital work in progress	306828	327915	386917
(d) Intangible assets under developmet	0	0	923
(e) Non-Current Investments	20000	20000	20000
(f) Deferred Tax Assets (Net)	113645	84706	23773
(g) Long Term Loans and Advances	663911	843152	532684
(h) Other Non-Current Assets	0	0	0
Total Non-Current Assets (b+c+d+e+f+g+h)	5048257	5661272	6026402
(2) Current Assets			
(a) Current Investments	0	0	0
(b) Inventories	443371	369688	354728
(c) Trade Recievables	261515	232660	276258
(d) Cash & Bank Balance	103509	122477	93195
(e) Short-term Loans & Advances	101918	69135	76344
(f) Other Current Assets	1116105	968598	1408343
Total Current Assets (a+b+c+d+e+f)	2026418	1762558	2208868
TOTAL ASSETS (1+2)	7074675	7423830	8235270
Important Indicators			
(i) Investment	1748974	1255619	1322000
(ii) Capital Employed	4890281	4790559	5825332
(iii) Net Worth	4391307	4784940	5753332
(iv) Net Current Assets	174111	-497798	214536
(v) Cost of Sales	3619933	3698673	3490090
(vi) Net Value Added (at market price)	1078661	675035	864328
(vii) Total Regular Employees (Nos.)	211086	225512	238277
(viii) Avg. Monthly Emoluments per Employee(₹)	60743	55295	53984

PROFIT & LOSS ACCOUNT	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	2844942	2724223	2615326
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	2844942	2724223	2615326
(II) Other Income	446928	140297	184309
(III) Total Revenue (I+II)	3291870	2864520	2799635
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	266799	263193	262451
(f) Salary, Wages & Benefits/Employees Expense	1538649	1496350	1543584
(g) Other Operating/direct/manufacturing Expenses	835301	789369	806173
(h) Rent, Royalty & Cess	37135	31397	32141
(i) Loss on sale of Assets/Investments	0	0	0
(j) Other Expenses	228538	236684	243424
Total Expenditure (IV (a to j))	2906422	2816993	2887773
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	385448	47527	-88138
(VI) Depreciation, Depletion & Amortisation	713511	881680	602317
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	-328063	-834153	-690455
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	53896	50189	21964
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c -d)	54339	50189	21964
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	-382402	-884342	-712419
(XI) Exceptional Items	0	0	0
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	-382402	-884342	-712419
(XIII) Extra-Ordinary Items	34529	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	-416931	-884342	-712419
(XV) TAX PROVISIONS	-28939	-60933	-10443
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	-387992	-823409	-701976
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	-387992	-823409	-701976
Financial Ratios			
(i) Sales : Capital Employed	58.18	56.87	44.9
(ii) Cost of Sales : Sales	127.24	135.77	133.45
(iii) Salary/Wages : Sales	54.08	54.93	59.02
(iv) Net Profit : Net Worth	-8.84	-17.21	-12.2
(v) Debt : Equity	0.4	0	0.06
(vi) Current Ratio	1.09	0.78	1.11
(vii) Trade Recievables : Sales	9.19	8.54	10.56
(viii) Total Inventory : Sales	15.58	13.57	13.56

Mahanagar Telephone Nigam Ltd.

Mahanagar Doorsanchar Sadan, 5th Floor, 9 CGO Complex
Lodhi Road, New Delhi-110 003
www.mtnl.net.in

The Company

Mahanagar Telephone Nigam Ltd. (MTNL) was incorporated on 28.02.1986 and commenced its Business 01.04.1986 to provide all types of telecommunication services in areas of Delhi and Mumbai.

MTNL is a schedule 'A' / Navratna listed CPSE in Telecommunication Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications with 56.25% shareholding by the Government of India. The company employed 31070 regular employees (Executives 4354 & Non-Executives 26716) as on 31.3.2016. Its registered and corporate office is at New Delhi.

Vision / Mission

The vision of the company is to be integrated player in telecom, diversifying into related business in order to expand significantly, keeping customer delight as the aim.

The mission of the company is to be committed to remain market leader in providing world-class telecom and IT related services at an affordable prices and achieve international standards in all respects.

Industrial / Business Operations

MTNL provides landline services, GSM Services, Fixed and Mobile Services and Broad band Services, internet, leased Circuit etc. in Delhi and Mumbai.

It has two wholly owned subsidiaries namely Millennium Telecom Ltd. (MTL) and Mahanagar Telephone Mauritius Ltd. The company also has two financial Joint Ventures namely United Telecom Ltd. with a share of 26.68% with VSNL, TCIL and NVPL (Local Partner in Nepal) to provide CDMA based basic service in Nepal; and MTNL STPI IT Services Ltd. with STPI, a Society under D/o Information Technology with 50:50 partnership.

Performance Highlights

The physical performance of the company during the last three years is given below:

Main Services	Unit	Performance during		
		2015-16	2014-15	2013-14
Fixed Landline (copper network)	No. of Subscribers	3504088 (70.04)	3551671 (71.19)	3542075 (70.64)
	Market Share %	56.71	57.15	57.33
GSM	No. of Subscribers	3560856 (63.59)	3423466 (61.13)	3245089 (57.95)
	Market Share %	5.35	6.23	6.19
Fixed and Mobile services (WLL)	No. of Subscribers	Services closed w.e.f. 16.02.2016	125402 (5.19)	127247 (5.19)
Broadband	No. of Subscribers	1181552 (72.28)	1197064 (73.23)	1171501 (71.67)

Total Revenue of the company registered a decrease of ₹294.89 crore during 2015-16, which went down to ₹3512.71 crore in 2015-16 from ₹3807.60 crore in 2014-15 (Fig1) due to decrease in revenue. However, the losses of the company has gone down by ₹887.65 crore to a loss of ₹(-) 2005.74 crore in 2015-16, from ₹2893.39 crore in previous year.

The current ratio of company is at 0.17:1 during 2015-16 as against 0.21:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2013-14 to 2015-16 can be seen on the adjoining page.

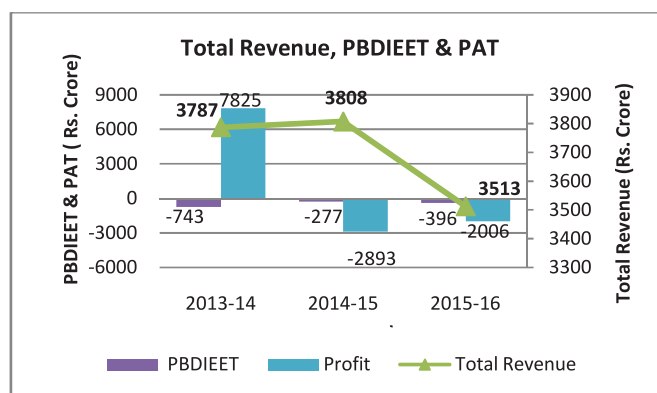


Fig.1

Strategic issue

- Declining Tariff rates
- Changing Technology
- Competitive Market

MAHANAGAR TELEPHONE NIGAM LTD.

BALANCE SHEET	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	80000	80000	80000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	35438	35437	35438
(ii) Others	27562	27563	27562
(b) Reserves & Surplus	-61740	143742	441070
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	1260	206742	504070
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	905897	1000897	811000
(b) Deferred tax liabilities (Net)	0	0	0
(c) Other Long-term liabilities	253792	296543	321264
(d) Long-term provisions	172049	176017	179404
Total Non-Current Liabilities 3(a) to 3(d)	1331738	1473457	1311668
(4) Current Liabilities			
(a) Short Term Borrowings	792374	659543	601044
(b) Trade Payables	34361	20856	18347
(c) Other current liabilities	427940	307049	288564
(d) Short-term provisions	21510	17337	19935
Total Current Liabilities 4(a) to 4(d)	1276185	1004785	927890
TOTAL EQUITY & LIABILITIES (1+2+3+4)	2609183	2684984	2743628
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	2726584	2717250	2670868
(ai) Accumulated Depreciation, Depletion & Amortisation	1767795	1672300	1548773
(aii) Accumulated Impairment	2428	1719	0
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	956361	1043231	1122095
(c) Capital work in progress	10202	13384	38257
(d) Intangible assets under developmet	0	0	0
(e) Non-Current Investments	14198	16198	18198
(f) Deferred Tax Assets (Net)	0	0	0
(g) Long Term Loans and Advances	899722	915859	900600
(h) Other Non-Current Assets	516751	483500	426918
Total Non-Current Assets (b+c+d+e+f+g+h)	2397234	2472172	2506068
(2) Current Assets			
(a) Current Investments	0	2000	2000
(b) Inventories	6759	9613	6989
(c) Trade Recievables	33730	29453	29180
(d) Cash & Bank Balance	16238	7064	24631
(e) Short-term Loans & Advances	124038	120308	143512
(f) Other Current Assets	31184	44374	31248
Total Current Assets (a+b+c+d+e+f)	211949	212812	237560
TOTAL ASSETS (1+2)	2609183	2684984	2743628
Important Indicators			
(i) Investment	968897	1063897	874000
(ii) Capital Employed	907157	1207639	1315070
(iii) Net Worth	1260	206742	504070
(iv) Net Current Assets	-1064236	-791973	-690330
(v) Cost of Sales	502841	521405	568651
(vi) Net Value Added (at market price)	156561	163731	1273085
(vii) Total Regular Employees (Nos.)	31070	33770	36523
(viii) Avg. Monthly Emoluments per Employee(₹)	70728	64927	59675

PROFIT & LOSS ACCOUNT	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	319662	339753	339173
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	319662	339753	339173
(II) Other Income	31609	41007	39564
(III) Total Revenue (I+II)	351271	380760	378737
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	28359	28094	26274
(f) Salary, Wages & Benefits/Employees Expense	263703	263111	261540
(g) Other Operating/direct/manufacturing Expenses	92632	59156	82950
(h) Rent, Royalty & Cess	8495	8972	8868
(i) Loss on sale of Assets/Investments	158	149	933
(j) Other Expenses	-2449	48975	72445
Total Expenditure (IV (a to j))	390898	408457	453010
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	-39627	-27697	-74273
(VI) Depreciation, Depletion & Amortisation	112101	113097	116574
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	-151728	-140794	-190847
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	129671	143962	139015
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c -d)	129671	143962	139015
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	-281399	-284756	-329862
(XI) Exceptional Items	0	0	-1162093
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	-281399	-284756	832231
(XIII) Extra-Ordinary Items	0	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	-281399	-284756	832231
(XV) TAX PROVISIONS	-49226	0	49718
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	-232173	-284756	782513
(XVII) Profit/Loss from discontinuing operations	31599	0	0
(XVIII) Tax expenses of discontinuing operations	0	4583	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	31599	-4583	0
(XX) Profit/Loss for the period (XVI+XIX)	-200574	-289339	782513
Financial Ratios			
(i) Sales : Capital Employed	35.24	28.13	25.79
(ii) Cost of Sales : Sales	157.3	153.47	167.66
(iii) Salary/Wages : Sales	82.49	77.44	77.11
(iv) Net Profit : Net Worth	15918.57	-139.95	155.24
(v) Debt : Equity	14.38	15.89	12.87
(vi) Current Ratio	0.17	0.21	0.26
(vii) Trade Recievables : Sales	10.55	8.67	8.6
(viii) Total Inventory : Sales	2.11	2.83	2.06

Millennium Telecom Limited

Telephone House, 15th Floor, V.S.Marg, Dadar (W), Mumbai, Maharashtra-400028
www.mtnl.net.in

The Company

Millennium Telecom Limited (MTL) was incorporated by the Mahanagar Telephone Nigam Ltd. as a wholly owned subsidiary company on 28.02.2000 with an objective to provide Internet / Intranet and Information Technology and other value added services in India and abroad.

It is an uncategorized CPSE in Telecommunication Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications. Its registered and corporate office is at Mumbai, Maharashtra. The officers of MTNL are looking after work of Millenium Telecom Ltd. in addition to their existing duties & responsibilities. MTL is currently a wholly owned subsidiary of Mahanagar Telephone Nigam Ltd (MTNL).

Vision / Mission

The vision of the company is to help organization to realize their potential. The mission of the company is to become a world class service provider in the field of internet.

Industrial / Business Operations

MTL was formed by MTNL as its wholly owned subsidiary company in the year 2000, basically for providing internet and other value added services. Some of work orders being undertaken by the company such as recovery case of CWG project of MTNL, Non-Telecom component work in MTNL's contracts /projects to be awarded to MTL on nomination basis, Video surveillance contract bagged by MTNL to be given to MTL on nomination basis, to start Bundled Service for MTNL products / services., to undertake the Disaster Management Service of the Government of Maharashtra and Govt. of Gujarat., to undertake Infrastructure Leasing Business of MTNL Mumbai, to undertake the data centres Leasing /Hiring of MTNL and other PSU telecoms like M/S BSNL, ITI, MSITS, to undertake remote monitoring of customer network, to undertake capacity building and skill development programme, to perform endtoend ICT Solution provider alongwith operation & maintenance etc.

Performance Highlights

Total revenue of the company registered a decrease of ₹1.15 crore during 2015-16, which went down to ₹1.80 crore in 2015-16 from ₹2.95 crore in 2014-15 (Fig1) due to decrease in revenue from operations. However, the company has shown a profit of ₹0.29 crore in 2015-16 as against profit of ₹0.13 crore in 2014-15.

The current ratio of company is at 3.48:1 during 2015-16 as against 3.51:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2013-14 to 2015-16 can be seen on the adjoining page.

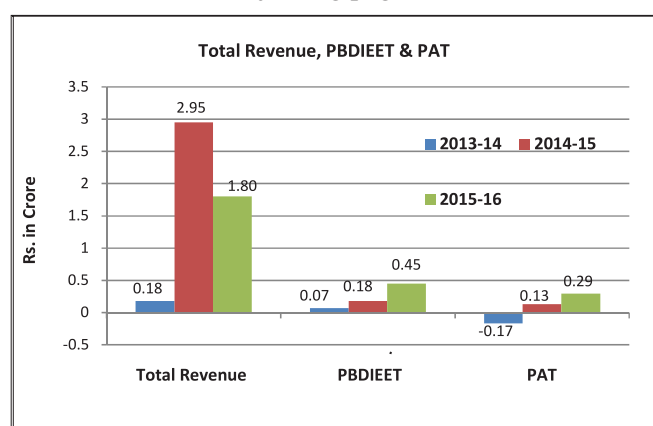


Fig. 1

Strategic issues

The Board of MTL decided to enter into new lines of business which could be E-Tendering services (online Tendering Services), Sale of ISP packs and collection from Cyber café services, Dial up services, ISDN UP services, Lease Line Service, Web page hosting service, Web server hosting service, Internet kiosks, On-line registration of new telephone connection, presentation and bill payment service, Internet Access on Broadband, Portal Services, Virtual Private Network Services, Certification Gateway for digital signatures to enable E-commerce transactions, High speed ATM services for LAN interconnection, Video on demand, Video Conferencing, Telemedicine, Distance Education, Bandwidth on demand and Data Centre/Call Center.

MILLENNIUM TELECOM LTD.

BALANCE SHEET			
PARTICULARS	₹ in Lakhs		
	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	10000	10000	10000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	0	0	0
(ii) Others	288	288	288
(b) Reserves & Surplus	155	184	174
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	443	472	462
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	0	0	0
(b) Deferred tax liabilities (Net)	0	0	0
(c) Other Long-term liabilities	22	22	0
(d) Long-term provisions	0	0	0
Total Non-Current Liabilities 3(a) to 3(d)	22	22	0
(4) Current Liabilities			
(a) Short Term Borrowings	49	49	24
(b) Trade Payables	115	90	30
(c) Other current liabilities	16	10	62
(d) Short-term provisions	6	37	0
Total Current Liabilities 4(a) to 4(d)	186	186	116
TOTAL EQUITY & LIABILITIES (1+2+3+4)	651	680	578
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	38	38	38
(ai) Accumulated Depreciation, Depletion & Amortisation	37	37	34
(aii) Accumulated Impairment	0	0	0
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	1	1	4
(c) Capital work in progress	0	0	0
(d) Intangible assets under developmet	0	0	0
(e) Non-Current Investments	0	0	0
(f) Deferred Tax Assets (Net)	0	1	0
(g) Long Term Loans and Advances	2	2	168
(h) Other Non-Current Assets	0	23	45
Total Non-Current Assets (b+c+d+e+f+g+h)	3	27	217
(2) Current Assets			
(a) Current Investments	0	0	0
(b) Inventories	0	30	0
(c) Trade Recievables	219	201	136
(d) Cash & Bank Balance	349	218	220
(e) Short-term Loans & Advances	0	0	1
(f) Other Current Assets	80	204	4
Total Current Assets (a+b+c+d+e+f)	648	653	361
TOTAL ASSETS (1+2)	651	680	578
Important Indicators			
(i) Investment	288	288	288
(ii) Capital Employed	443	472	462
(iii) Net Worth	443	472	462
(iv) Net Current Assets	462	467	245
(v) Cost of Sales	135	254	12
(vi) Net Value Added (at market price)	45	25	-17
(vii) Total Regular Employees (Nos.)	0	0	0
(viii) Avg. Monthly Emoluments per Employee(₹)	0	0	0
2015-16 PROVISIONAL			
PROFIT & LOSS ACCOUNT			
PARTICULARS	₹ in Lakhs		
	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	137	282	0
Less : Excise Duty	0	7	0
Revenue from Operations (Net)	137	275	0
(II) Other Income	43	20	18
(III) Total Revenue (I+II)	180	295	18
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	196	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	30	-30	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	0	0	0
(f) Salary, Wages & Benefits/Employees Expense	0	0	0
(g) Other Operating/direct/manufacturing Expenses	97	73	11
(h) Rent, Royalty & Cess	0	0	0
(i) Loss on sale of Assets/Investments	0	23	0
(j) Other Expenses	8	15	0
Total Expenditure (IV (a to j))	135	277	11
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIET)(III-IV)	45	18	7
(VI) Depreciation, Depletion & Amortisation	0	0	1
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	45	18	6
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	1	0	0
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c -d)	1	0	0
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBET)(VIII-IXe)	44	18	6
(XI) Exceptional Items	0	0	23
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	44	18	-17
(XIII) Extra-Ordinary Items	0	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	44	18	-17
(XV) TAX PROVISIONS	15	5	0
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	29	13	-17
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	29	13	-17
Financial Ratios			
(i) Sales : Capital Employed	30.93	58.26	0
(ii) Cost of Sales : Sales	98.54	92.36	0
(iii) Salary/Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	6.55	2.75	-3.68
(v) Debt : Equity	0	0	0
(vi) Current Ratio	3.48	3.51	3.11
(vii) Trade Recievables : Sales	159.85	73.09	0
(viii) Total Inventory : Sales	0	10.91	0

Railtel Corporation of India Limited

6th Floor, IIIrd Block, Delhi Technology Park, Shastri Park, New Delhi-1100053
www.railtelindia.com

The Company

RailTel Corporation of India Limited (RailTel) was incorporated on 26.09.2000 with the objective of expeditiously modernizing railways' train control, operational safety systems & network, creating nationwide broadband telecom and multimedia network to supplement national telecom infrastructure to spur growth of telecom, internet and IT enabled value added services, and generating revenue through commercial exploitation of its network and to building up nationwide telecom infrastructure through national knowledge network, to extend connectivity to panchayats for providing broadband reach in rural & remote areas.

RailTel is a schedule 'A' Miniratna CPSE in Telecommunication Services sector under the administrative control of M/o Railways with 100% shareholding by the Government of India. The company employed 535 regular employees (Executives 521 & Non-Executives 14) as on 31.3.2016. Its registered office is in Delhi and corporate office is in Gurgaon, Haryana.

Vision / Mission

The vision of the company is to become preferred telecom solution and services provider for knowledge economy.

The mission of the company is to attain leadership in providing premier telecom infrastructure service by offering cost-effective state-of-the-art communication solutions.

Industrial / Business Operations

The main activities of the company include facilitating Railways in expeditious modernizing of their operation and safety systems and network by providing state of the art communication infrastructure. RailTel is one of the largest neutral telecom infrastructure providers in the country owning a Pan-India optic fiber network on exclusive Right of Way (ROW) along Railway Track.

The OFC network of RailTel presently connects to over 600 cities and 4500 towns of country including several in rural areas covering 70% of India's population. RailTel offers wide gamut of managed telecom services to Indian Telecom market including Managed lease lines, Tower colocation, MPLS based IP-VPN, Internet, Tele presence, retail broadband Services (Railwire) and NGN based voice carriage services to Telecom Operators, Internet Service Providers, MSOs, Enterprises, Banks, Govt. Institutions/dept., Educational Institutions/ Universities, etc. RailTel has been mandated by railways to provide Wi-Fi facility at various railway stations.

Performance Highlights

Total revenue of the company registered an increase of ₹87.91 crore during 2015-16, which went up to ₹641.55 crore in 2015-16 from ₹553.64 crore in 2014-15. However, the profit of the company has gone down by ₹17.11 crore to ₹103.83 crore in 2015-16, from ₹120.94 crore in previous year.

Return on net worth of the company has decreased to 9.82% in 2015-16 from 12.04% in 2014-15. Net profit ratio of the company also has decreased to 18.15% in 2015-16 from 25.10% in 2014-15 (Fig.2).

The current ratio of company is at 1.83:1 during 2015-16 as against 3.29:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2013-14 to 2015-16 can be seen on the adjoining page.

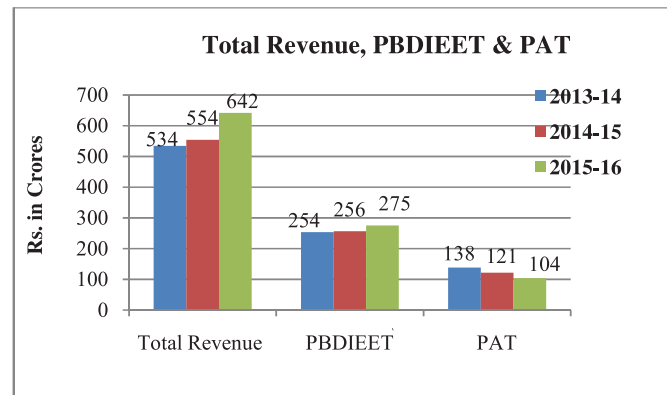


Fig.1

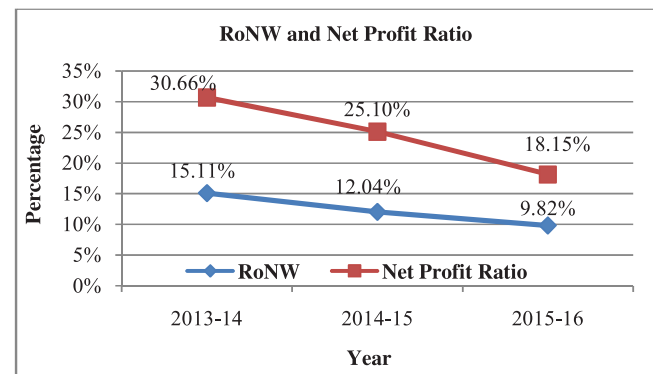


Fig.2

Strategic issue

To enter into consultancy services, Railway signalling projects, broadband services & various VAS like Tele-presence and other using Data Center facility. To provide complete network solutions to Government a high volume project, RailTel has reoriented itself from Project & Operations centric org. to Sales & Customer Service focused org. To establish National NOC for Lease line, VPN & other services with centralized provisioning of customer network powered by OSS/BSS solutions. To develop high bandwidth streams to achieve economy of scales to lower per unit bandwidth cost and focusing on bulk BW leasing.

RAILTEL CORPORATION OF INDIA LTD.

BALANCE SHEET PARTICULARS	₹ in Lakhs		
	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	100000	100000	100000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	32094	32094	32094
(ii) Others	0	0	0
(b) Reserves & Surplus	73674	68314	59188
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	105768	100408	91282
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	54494	0	0
(b) Deferred tax liabilities (Net)	3506	0	0
(c) Other Long-term liabilities	0	72370	70702
(d) Long-term provisions	46	467	467
Total Non-Current Liabilities 3(a) to 3(d)	58046	72837	71169
(4) Current Liabilities			
(a) Short Term Borrowings	0	0	0
(b) Trade Payables	13012	10859	11783
(c) Other current liabilities	39696	20828	19612
(d) Short-term provisions	4473	843	11642
Total Current Liabilities 4(a) to 4(d)	57181	32530	43037
TOTAL EQUITY & LIABILITIES (1+2+3+4)	220995	205775	205488
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	143099	123609	107839
(ai) Accumulated Depreciation, Depletion & Amortisation	72047	60926	51128
(aii) Accumulated Impairment	0	3071	3071
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	71052	59612	53640
(c) Capital work in progress	28774	16773	6015
(d) Intangible assets under developmet	0	0	0
(e) Non-Current Investments	1000	1000	0
(f) Deferred Tax Assets (Net)	0	350	145
(g) Long Term Loans and Advances	1383	1818	1645
(h) Other Non-Current Assets	13961	19180	21498
Total Non-Current Assets (b+c+d+e+f+g+h)	116170	98733	82943
(2) Current Assets			
(a) Current Investments	0	0	0
(b) Inventories	59	117	292
(c) Trade Recievables	25777	16790	15387
(d) Cash & Bank Balance	55976	67241	74390
(e) Short-term Loans & Advances	14376	14957	28985
(f) Other Current Assets	8637	7937	3491
Total Current Assets (a+b+c+d+e+f)	104825	107042	122545
TOTAL ASSETS (1+2)	220995	205775	205488
Important Indicators			
(i) Investment	86588	32094	32094
(ii) Capital Employed	160262	100408	91282
(iii) Net Worth	105768	100408	91282
(iv) Net Current Assets	47644	74512	79508
(v) Cost of Sales	44726	38743	36535
(vi) Net Value Added (at market price)	37046	30265	36256
(vii) Total Regular Employees (Nos.)	535	525	522
(viii) Avg. Monthly Emoluments per Employee(₹)	137227	111048	103879
2015-16 PROVISIONAL			

PROFIT & LOSS ACCOUNT PARTICULARS	₹ in Lakhs		
	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	57221	48182	44980
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	57221	48182	44980
(II) Other Income	6934	7182	8446
(III) Total Revenue (I+II)	64155	55364	53426
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	2674	2166	1147
(f) Salary, Wages & Benefits/Employees Expense	8810	6996	6507
(g) Other Operating/direct/manufacturing Expenses	19909	16226	19276
(h) Rent, Royalty & Cess	1165	1116	856
(i) Loss on sale of Assets/Investments	0	0	0
(j) Other Expenses	4100	3254	273
Total Expenditure (IV (a to j))	36658	29758	28059
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	27497	25606	25367
(VI) Depreciation, Depletion & Amortisation	8068	8985	8476
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	19429	16621	16891
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	0	0	0
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c-d)	0	0	0
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	19429	16621	16891
(XI) Exceptional Items	0	0	0
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	19429	16621	16891
(XIII) Extra-Ordinary Items	0	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	19429	16621	16891
(XV) TAX PROVISIONS	9046	4527	3098
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	10383	12094	13793
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	10383	12094	13793
Financial Ratios			
(i) Sales : Capital Employed	35.7	47.99	49.28
(ii) Cost of Sales : Sales	78.16	80.41	81.22
(iii) Salary/Wages : Sales	15.4	14.52	14.47
(iv) Net Profit : Net Worth	9.82	12.04	15.11
(v) Debt : Equity	1.7	0	0
(vi) Current Ratio	1.83	3.29	2.85
(vii) Trade Recievables : Sales	45.05	34.85	34.21
(viii) Total Inventory : Sales	0.1	0.24	0.65

Railtel Enterprises Ltd.

6th Floor, IIIrd Block, Delhi Technology Park, Shastri Park, New - Delhi 110053
www.relindia.com

The Company

RailTel Enterprises Ltd. has been incorporated on 12th August, 2014 as a wholly owned subsidiary of RailTel Corporation of India Ltd. a Government of India undertaking under Ministry of Railways to undertake the expanding activities in project execution works for telecom and signalling.

REL is an uncategorised CPSE in Contract and Construction Services sector under the administrative control of the Ministry of Railways with 100% shareholding by the Government of India. The company employed 37 regular executives employees as on 31.3.2016. Its registered and corporate office is at New Delhi.

Industrial / Business Operations

The company has commenced its business activities during 2014-15 itself. It had undertaken projects execution works for telecom and signalling separately which were hitherto taken by its holding company.

Performance Highlights

Total revenue of the company registered an increase of ₹5.33 crore during 2015-16, which up to ₹6.66 crore in 2015-16 from ₹1.33 crore in 2014-15 (Fig1). The profit of the company has gone up by ₹0.62 crore to a profit of ₹0.75 crore in 2015-16, from ₹0.13 crore in previous year.

The current ratio of company is at 2.17:1 during 2015-16 as against 8.27:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2014-15 to 2015-16 can be seen on the adjoining page.

RAILTEL ENTERPRISES LTD.

BALANCE SHEET	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
I. EQUITY & LIABILITIES			-
AUTHORISED CAPITAL	5000	5000	-
(1) Shareholders' Funds			-
(a) Share Capital			-
(i) Central Govt	0	0	-
(ii) Others	1000	1000	-
(b) Reserves & Surplus	88	13	-
(c) Money received against share warrants	0	0	-
Total Shareholders' Funds (1(a)+1(b)+1(c))	1088	1013	-
(2) Share application money pending allotment	0	0	-
(3) Non-current Liabilities			-
(a) Long Term Borrowings	0	0	-
(b) Deferred tax liabilities (Net)	0	0	-
(c) Other Long-term liabilities	17	13	-
(d) Long-term provisions	0	0	-
Total Non-Current Liabilities 3(a) to 3(d)	17	13	-
(4) Current Liabilities			-
(a) Short Term Borrowings	0	0	-
(b) Trade Payables	590	73	-
(c) Other current liabilities	328	63	-
(d) Short-term provisions	6	0	-
Total Current Liabilities 4(a) to 4(d)	924	136	-
TOTAL EQUITY & LIABILITIES (1+2+3+4)	2029	1162	-
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	0	0	-
(ai) Accumulated Depreciation, Depletion & Amortisation	0	0	-
(aii) Accumulated Impairment	0	0	-
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	0	0	-
(c) Capital work in progress	0	0	-
(d) Intangible assets under developmet	0	0	-
(e) Non-Current Investments	0	0	-
(f) Deferred Tax Assets (Net)	0	0	-
(g) Long Term Loans and Advances	0	0	-
(h) Other Non-Current Assets	28	37	-
Total Non-Current Assets (b+c+d+e+f+g+h)	28	37	-
(2) Current Assets			-
(a) Current Investments	0	0	-
(b) Inventories	82	0	-
(c) Trade Recievables	618	6	-
(d) Cash & Bank Balance	1223	1083	-
(e) Short-term Loans & Advances	36	2	-
(f) Other Current Assets	42	34	-
Total Current Assets (a+b+c+d+e+f)	2001	1125	-
TOTAL ASSETS (1+2)	2029	1162	-
Important Indicators			-
(i) Investment	1000	1000	-
(ii) Capital Employed	1088	1013	-
(iii) Net Worth	1088	1013	-
(iv) Net Current Assets	1077	989	-
(v) Cost of Sales	551	114	-
(vi) Net Value Added (at market price)	185	28	-
(vii) Total Regular Employees (Nos.)	37	-	-
(viii) Avg. Monthly Emoluments per Employee(₹)	8333	0	-

PROFIT & LOSS ACCOUNT	₹ in Lakhs		
PARTICULARS	2015-16	2014-15	2013-14
(I) Revenue from Operations (Gross)	568	95	-
Less : Excise Duty	0	0	-
Revenue from Operations (Net)	568	95	-
(II) Other Income	98	38	-
(III) Total Revenue (I+II)	666	133	-
(IV) Expenditure on:			-
(a) Cost of materials consumed	0	-	-
(b) Purchase of stock-in-trade	0	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	-	-
(d) Stores & Spares	0	-	-
(e) Power & Fuel	0	-	-
(f) Salary, Wages & Benefits/Employees Expense	37	9	-
(g) Other Operating/direct/manufacturing Expenses	501	94	-
(h) Rent, Royalty & Cess	0	-	-
(i) Loss on sale of Assets/Investments	0	-	-
(j) Other Expenses	13	11	-
Total Expenditure (IV (a to j))	551	114	-
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	115	19	-
(VI) Depreciation, Depletion & Amortisation	0	-	-
(VII) Impairment	0	-	-
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIET)(V-VI-VII)	115	19	-
(IX) Finance Cost			-
(a) On Central Government Loans	0	-	-
(b) On Foreign Loans	0	-	-
(c) Others	0	-	-
(d) Less Finance Cost Capitalised	0	-	-
(e) Charged to P & L Account (a+b+c -d)	0	-	-
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	115	19	-
(XI) Exceptional Items	0	-	-
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	115	19	-
(XIII) Extra-Ordinary Items	0	-	-
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	115	19	-
(XV) TAX PROVISIONS	40	6	-
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	75	13	-
(XVII) Profit/Loss from discontinuing operations	0	-	-
(XVIII) Tax expenses of discontinuing operations	0	-	-
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	-	-
(XX) Profit/Loss for the period (XVI+XIX)	75	13	-
Financial Ratios			
(i) Sales : Capital Employed	52.21	9.38	-
(ii) Cost of Sales : Sales	97.01	120	-
(iii) Salary/Wages : Sales	6.51	9.47	-
(iv) Net Profit : Net Worth	6.89	1.28	-
(v) Debt : Equity	0	0	-
(vi) Current Ratio	2.17	8.27	-
(vii) Trade Recievables : Sales	108.8	6.32	-
(viii) Total Inventory : Sales	14.44	-	-